

DSA

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## CONGRESSIONAL RECORD — SENATE

fifth day following the date on which they were issued, except that such term does not include any benefit check to which the amendment made by subsection (a) applies.

By Mr. PRESSLER:

S. 480. A bill relating to the transfer of civil land remote sensing space satellite systems and meteorological satellite systems to the private sector; to the Committee on Commerce, Science, and Transportation.

## SATELLITE SYSTEMS PROTECTION ACT

Mr. PRESSLER. Mr. President, I am introducing legislation today that would require congressional authorization before the Government weather satellite (Metsat) or the land remote sensing satellite (Landsat) system can be turned over to a private corporation.

I am not introducing this legislation with the intent of prohibiting such a transfer at all costs. Whenever private enterprise can responsibly and effectively assume control of Government operations, the transfer should be made. But I believe Congress should assume responsibility to insure that these elements are included in any proposed transfer. Some of my specific concerns about commercialization of Government satellite systems include:

## COST SAVINGS

There are legitimate arguments that commercialization of the weather and land remote sensing satellite systems will cost the Government more money than it will save.

## MONOPOLIZATION

Some of the proposals under consideration involve heavy Government subsidization of a single company. Both the Landsat and the Metsat operations now have a virtual monopoly in their respective markets. This would put the United States in a position of subsidizing monopolies—a curious development in a program designed to encourage private enterprise. Excessive subsidization of private enterprise encourages, rather than eliminates, wasteful Government spending.

## SERVICE TO THE PUBLIC

We must make certain that vital weather information and services to the public are not jeopardized by commercialization of the weather satellite system. Millions of Americans rely on Government weather services for their safety and economic well-being. It is imperative that this kind of service be guaranteed and open to the public.

## FOREIGN RELATIONS

There is a host of complex international information agreements between countries regarding the weather satellites (Metsat) that must be reconciled, and the foreign market in land remote sensing is just beginning to take form. Consequently, there are many arrangements to be worked out before program transfers can be made.

## SCIENCE INFORMATION

Much of the information now obtained by the Metsat and Landsat pro-

grams is invaluable to the scientific world and Government information services. But most of this data is not yet marketable in the private sector. Also, the long-term investment costs required to obtain and utilize the data would be extremely difficult for private business to absorb in the short run. Nonprofitable processing operations would be lost. As technology advances, this information will become more cost effective in private industry. Until that time, however, it is necessary to insure continued processing of the data now acquired through both of these systems. To discontinue any of this data flow now would both retard technological development and leave an empirical void that could never be filled.

## EMPLOYMENT

It is possible that many Government employees would lose their jobs as a result of commercialization. Although it is true that some of these positions would be replaced in the private sector, almost definitely there would be a net decrease in employment. It would be hard to justify a proposal that eliminates jobs, costs the Government additional money, and hands ready-made monopolies over to a single corporation.

These are just several of the concerns I have regarding this proposal. I would like to reiterate that I am not necessarily against any type of commercialization transfer. I just want to make certain that such a transfer contains the necessary elements to guarantee its intended purposes of cost savings and would provide a free enterprise market system that is fair and equitable. I believe that Congress should make certain that these elements are contained in any proposal before a commercialization transfer is made.

That is, indeed, a very complex and complicated issue. I think that it is very important that Congress allow itself the opportunity to fully consider and debate the issue before we give away billions of dollars' worth of technology and equipment, and at the same time run the risk of higher costs, loss of employment, declining technology, and diminished service.

Mr. President, this vitally important issue deserves close scrutiny by Congress before we decide to turn powerful monopolies over to a single corporation. I strongly urge my colleagues to join me in support of this bill. Its passage will help insure the safety and viability of our satellite programs.

Mr. President, I ask unanimous consent that an article that appeared in the February 9, 1983, issue of the Washington Post be printed in the Record following my remarks and the text of my bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 480

*Be it enacted by the Senate and House of Representatives of the United States of*

*America in Congress assembled, That, notwithstanding section 291 of the National Aeronautics and Space Administration Authorization Act, 1968, the Secretary of Commerce shall not transfer the ownership or management of any civil land remote sensing space satellite system and associated ground system equipment or meteorological satellite system and associated ground system equipment unless in addition to any other requirement of such law—*

*(1) the Secretary of Commerce or his designee has presented, in writing, to the Speaker of the House of Representatives and the President of the Senate, and to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, a comprehensive plan for the proposed transfer; and*

*(2) the Congress thereafter approves such transfer by law.*

[From the Washington Post, Feb. 9, 1983]

## LANDSAT 4 PHOTOS SHOW TINY DETAILS

(By Thomas O'Toole)

The Landsat 4 satellite is returning the best photographs of Earth ever taken from space, providing geologists, farmers and environmentalists with new information about mineral deposit, crop yields and sources of air and water pollution.

The photographs being beamed back by Landsat 4, which was put into orbit last fall, have 10 times the clarity of the three previous Landsats, which were launched in 1972, 1975 and 1978. From an altitude of 438 miles, the new Landsat also can distinguish four times as many shades of color, such as the subtle color difference between snow and clouds, and with its three infrared cameras can identify objects on the ground by gauging temperature differences.

"Our new Landsat can distinguish very nicely between rice fields and soybean fields that lie right next to each other," Vincent Salomonson, Landsat project scientist at the Goddard Space Flight Center, told a news conference yesterday. "The older satellites could never do that."

Landsat 4's seven cameras (compared with four on the older Landsats) can resolve details on Earth that are no more than 90 feet wide, meaning they can pick out individual buildings and landmarks in any city. In a photograph of Washington displayed at the news conference, the Washington Monument, the Capitol, the Tidal Basin, the Reflecting Pool and the Pentagon could be discerned easily with the naked eye.

The same photograph also took in the entire city of Baltimore, parts of Chesapeake Bay and made the Capital Beltway in Virginia distinguishable from the same road in Maryland because of the paving material: concrete in Maryland and asphalt in Virginia. Office buildings with gravel roofs could be distinguished from office buildings with metal roofs.

Fall-colored trees were distinguishable from trees that were still green. Silt and sediment pouring from rivers into the Atlantic Ocean were so discernible that scientists could if they were polluted with chemicals. Scientists could also see whether smoke pouring from factories was polluted.

The satellite's scanners detected changes in the clay minerals near the Earth's surface that often are telltale clues to the whereabouts of buried mineral deposits.

Mark Settle, Landsat program scientist, said, "It's going to be a great boon to geologists. This satellite can even discriminate the ages of most rocks on the Earth."

By Mr. SPECTER:

S. 481. A bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for contributions to programs providing job training for certain individuals; to the Committee on Finance.

**TAX CREDIT FOR CONTRIBUTIONS TO JOB TRAINING PROGRAMS**

Mr. SPECTER. Mr. President, I am today reintroducing a bill to provide certain tax credits for job training. It has been said that the States should be governments which experiment with programs which, when proven successful, can be adopted as national programs. This legislation actually has been tested successfully in Pennsylvania and other States. Pennsylvania enacted the first of these State business tax credit programs, called neighborhood assistance programs, in 1967, and during the next decade, Indiana, Missouri, and Delaware followed suit. More recently, Michigan, Florida, and Virginia began a similar use of tax credit incentives on State business taxes to promote job training and community development and to improve living conditions. As recently as this spring, Wisconsin passed legislation providing tax credits to enhance the financing of economic development projects operated by community organizations. And at least 22 other States are considering tax incentive measures focusing specifically on the needs of distressed neighborhoods and communities.

Although these tax incentive programs vary from State to State, the enabling statutes are generally referred to as Neighborhood Assistance Acts (NAA's) and the resulting activities are known as neighborhood assistance programs (NAP's). The evident popularity of the neighborhood assistance tax credit approach lies in its operational simplicity. In the typical program, a business receives a tax credit under State law for investing in or contributing to approved projects which improve economic and social conditions in low-income central city neighborhoods or rural areas. Activities for which tax incentives are provided include a variety of services, as well as job training.

Undoubtedly, the popularity of the neighborhood assistance tax credit has been enhanced by the diminished Federal support for community development. The demise of Government programs compels greater attention to private sector sources of funds if such activities are to continue at an appreciable level. NAP is designed to elicit such support by lowering the after tax effective cost of participation. The resulting investment can directly support a project, or it can be a non-Federal match for Federal or State assistance. In fact, when a corporate contribution is made a State neighborhood assistance program, I understand there is a slight revenue gain to the Federal Treasury.

For example, Philadelphia area businessmen and civic leaders have been

encouraged by the Pennsylvania neighborhood assistance program to contribute to three high school academies training young people in applied electric science, automobile repair, and business skills. Students who at the time of enrollment often show less than average promise are provided this specialized training at public high school sites.

Business leaders believe this program is an important Philadelphia job training activity. Many students thought to be below average achievers have developed during the training highly marketable job skills. Dropout rates are a fraction of those of regular high school programs and the graduation rate is double. The involvement of local businessmen in the nonprofit corporations operating the program has helped assure placement opportunities for those who complete the program. Over 90 percent of the graduates are placed in jobs. The nonprofit corporation operating these three programs do not accept grants from public agencies. On February 23, 1982, I personally visited the electric academy and observed the school in operation. I was much impressed with what I saw. Other witnesses will tell you more about this program.

This bill would establish a similar, though considerably more limited, national version of the Pennsylvania neighborhood assistance program for job training to allow a credit of 20 percent against contributions to programs providing job training for handicapped and economically disadvantaged individuals. This credit, plus the already authorized Federal deduction, in most cases will represent about a one-third net cost to the contributing corporation.

Each training program would be developed by qualified nonprofit organizations and certified by the regional Office of Employment and Training Administration of the Department of Labor as providing job training solely to handicapped persons, economically disadvantaged individuals, or workers with obsolete skills. Private corporations would contribute the training funds. Unlike most programs of this type, there are virtually no administration costs to the Federal Government and all of the contributed funds remain in the local community. There is no expensive corps of Federal bureaucrats to take a cut from these funds as they flow from the community to Washington and back again. Under my proposal, they never leave the local community.

The maximum credit available for any single corporation is \$250,000; thus the program is especially supportive of training efforts by small and middle-sized businesses. The administration can regulate the revenue impact by controlling, through the Department of Labor, the number of approved applications. The National Economic Development and Law Center estimates that "the State experience

(with this program) suggests that the costs of a Federal program would be relatively modest."

There is little doubt that America is in a transition phase from heavy industry to high technology, thus many skilled and dedicated workers are losing their jobs because of technological obsolescence over which they have little control.

This bill will encourage the private sector to sponsor the job training and retraining programs for these workers, as well as for disadvantaged and handicapped citizens.

Mr. President, I ask unanimous consent that this bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 481

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 44G the following new section:

"SEC. 44H. CHARITABLE CONTRIBUTIONS TO QUALIFIED JOB-TRAINING ORGANIZATIONS.

"(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the qualified job-training charitable contributions of the taxpayer for the taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM DOLLAR AMOUNT.—The amount of the credit allowed under subsection (a) with respect to any taxpayer shall not exceed \$250,000.

"(2) LIABILITY FOR TAX.—

"(A) IN GENERAL.—The credit allowed by subsection (a) any taxable year shall not exceed an amount equal to the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowed under a section of this subpart having a lower number designation than this section, other than credits allowable by sections 31, 39, and 43. For purposes of the preceding sentence, the term 'tax imposed by this chapter' shall not include any tax treated as not imposed by this chapter under the last sentence of section 53(a).

"(B) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided under subparagraph (A) for such taxable year (hereinafter in this paragraph referred to as the 'unused credit year'), such excess shall be—

"(I) a job-training credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(II) a job-training credit carryover to each of the 15 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year ending before January 1, 1982, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 15 taxable years to which (by reason of subclauses